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FIRST COUNTRY COOPERATION FRAMEWORK FOR CAPE VERDE (1998-2001)

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INTRODUCTION

1. The first country cooperation framework for Cape Verde covers the period from 1998 to 2001. It is based on the UNDP advisory note resulting from in-depth consultations with the organizations of the United Nations system, government representatives, bilateral and multilateral development partners and representatives of civil society. It also takes into account the National Development Plan 1997-2000, the outcome of the mid-term review of the fourth country programme (1992-1996), the first national human development report, the draft national strategy note and the various sectoral and thematic evaluations made in recent years.

2. Since the Government organized the first regional conference on fisheries in Praia in March 1997 and a donor round table was held in Brussels in July 1997, followed by sectoral round tables in Cape Verde in November 1997, it was not possible to draw up the definitive country cooperation framework in time to submit it to the Executive Board at its third regular session in 1997. Under the circumstances, the Administrator deemed it necessary to extend the period of the fourth country programme to cover 1997. The Administrator would like to draw the Executive Board's attention to this point at the current session.

3. Consequently, in 1997 the UNDP country office worked with the Government to: (a) better define the priority areas for the first country cooperation framework; (b) provide advice on the implementation of certain elements of the two major programmes covered by the country cooperation framework; and (c) draw up the definitive country cooperation framework.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

4. As the economic and social well-being of the individual is one of the objectives of the country's development policy, UNDP areas of assistance will be based entirely on the new paradigm of sustainable human development. A comparison of Cape Verde's human development indices shows that progress has been made particularly in the fields of health, education, literacy, access to water, life expectancy and the role of women. Nevertheless, there is still reason for concern. Poverty remains acute and the country is subject to very severe natural conditions: it is isolated geographically, it is an island, its water resources are extremely inadequate, it has an arid climate and is suffering from prolonged drought, there is a marked lack of natural resources and the physical environment is extremely fragile, all of which contributes to a structural food deficit. Moreover, because of its geographical situation, the country is exposed to the global scourges of drugs and AIDS.

5. Poverty. Poverty in Cape Verde has numerous underlying structural causes, including extremely limited natural resources, chronic drought, geographical isolation, a very fragile environment, a high population growth rate, a high adult illiteracy rate and growing unemployment. A 1994 study shows that 30 per cent of the population live below the poverty line and that the very poor make up 14 per cent of the total population. Poverty is particularly acute in

rural areas, although the massive rural exodus is creating pockets of extreme poverty in urban centres. In rural areas, women are more affected by poverty than men. Because of emigration, women outnumber men in rural areas and are often heads of household. Certain islands which are more severely affected than others have high rates of rural exodus and are experiencing a rapid degradation of their social structures.

6. Employment. Cape Verde's population is growing very fast (2.8 per cent per year) and out of all proportion to its resource base. This imbalance has existed for a long time, forcing Cape Verdeans to leave the country. Currently, expatriates outnumber residents by two to one. In spite of emigration, the unemployment rate remains very high (25 per cent of the economically active population), particularly among the illiterate population. Vocational training and job creation are one of the fundamental components of the national anti-poverty programme and the National Development Plan 1997-2000.

7. Gender equality. The integration of women in development is a high priority for the Government. The Constitution and the legislation in force accord women equal status with men. Policies are being implemented to increase women's participation in political, economic and social life. Women make up 53 per cent of Cape Verde's population, 55 per cent of the economically active population and 38.3 per cent of heads of household.

8. Environment. Cape Verde faces serious environmental problems which hinder sustainable development. The estimated 30,000 hectares of cultivable land account for barely 10 per cent of the country's total area. Lack of water resources as a result of insufficient rainfall is a major obstacle to regenerating the country's plant cover. The country is subject to persistent drought because of its geographical situation. A national environmental action plan has been elaborated and a plan to combat desertification is about to be finalized with the support of the Office to Combat Desertification and Drought (UNSO). A forestry action plan is also being implemented with the support of the Food and Agriculture Organization of the United Nations (FAO). The Government is taking action to protect biodiversity, especially the protection of endangered species, with the assistance of the Global Environment Facility (GEF).

9. Governance. The country has experienced a smooth democratic transition which has profoundly altered the conduct of public affairs. The National Development Plan confirms the action which the Government intends to carry out in this area by devoting to it a major programme for the strengthening and consolidation of democracy, focusing particularly on decentralization, social communication and the reform of State institutions and the public administration.

II. RESULTS AND LESSONS OF PAST COOPERATION

10. The fourth country programme for Cape Verde contributed significantly to: (a) the formulation of development policies; (b) institution-building; and (c) the elaboration of sectoral strategies and management capacity-building in strategic areas such as industry, trade, tourism and water resources. Sustained

support for the round table and sectoral consultation process have helped to establish ongoing coordination between the Government and the donor community, and the mobilization of resources, especially for the funds administered by UNDP, such as UNSO and the United Nations Capital Development Fund (UNCDF), was significant. Discussions were launched on such important topics as the fight against poverty, the integration of women in development, food aid and the environment. In short, remarkable progress was made in sustainable national capacity-building.

11. In the area of management of the economy, the country has great potential in terms of its internal capacity and the goodwill of its partners. The effectiveness of the latter's contribution to development could be increased by setting up an effective internal coordination mechanism and a system of follow-up to the round table and sectoral consultation process. With its vast experience and its neutrality, UNDP could be an ideal partner for achieving that objective. It should place greater emphasis on human resources development, for instance, in the areas of social advancement and the fight against poverty, and decentralization.

12. National execution, which has become the rule in UNDP programmes, and the systematic use of national skills have allowed the Government to become actively involved in the programme and have helped to build institutional capacity. However, it will be necessary to introduce more rigorous controls and auditing, expand the modality beyond Government execution, make better use of the technical support role of organizations of the United Nations system and improve conditions in order to benefit more fully from the experts made available and provide programme managers with proper training in financial and administrative management techniques with a view to increasing transparency.

III. PROPOSED STRATEGY AND THEMATIC AREAS

13. The Government's strategy is to establish a synergy between the anticipated growth and human development. The driving force of such growth will be the private sector, which now has a liberal context and a favourable environment for the development of its activities. The State's role will be to provide sound management of macroeconomic policy and to facilitate and promote private endeavours. In order to reconcile those two imperatives, the State has based its policies and its action on the concept of sustainable human development. That is the area where UNDP cooperation will henceforth be concentrated, in keeping with its priority objectives of poverty eradication, the creation of employment opportunities, promotion of the role of women, environmental conservation and regeneration and support for the consolidation of democracy and, hence, good governance. UNDP cooperation will be used as a catalyst for the mobilization of resources and the strengthening of development programming and coordination capacities and structures, in complementarity with other donors. UNDP strategy will have to be based on the following criteria:

(a) Selectivity and concentration. The guidelines adopted by the Executive Board largely coincide with the priorities set by the Government in the area of sustainable human development. UNDP cooperation will therefore be selective and concentrated and the choice of activities will also be based on

the need to ensure maximum visibility and the greatest possible impact on sustainable human development;

(b) Capacity-building. UNDP will continue its support for: (i) institution-building in strategic priority areas of sustainable human development; and (ii) training and technical support for those in charge of the formulation of policies, strategies and programmes. Given the role assigned to local decentralized authorities in taking charge of sustainable human development activities, UNDP believes that some of its resources should go to the local level in order to ensure the fullest possible involvement and participation of the population;

(c) Implementation of the programme approach. The programme approach will be widespread in the first country cooperation framework, in keeping with the Executive Board's decisions and the wishes of the Government as expressed in the National Development Plan. UNDP will provide the necessary support for the introduction and implementation of the programme approach, in the form of training programmes and technical support for programme management and coordination structures and mechanisms;

(d) Cost-cutting. This will be achieved essentially by making national execution and the use of national skills widespread and by making judicious use of the modalities and instruments established by UNDP in order to reduce the costs of external technical assistance;

(e) Mobilization of resources. UNDP will increase its resource mobilization efforts in its role as a catalyst, while exploring all the possibilities offered within the Organization, particularly when the core programme merits supplementary support. UNDP plans to help the Government put together good portfolios for securing the financing of projects by GEF, Capacity 21 and other funds administered by UNDP;

(f) Coordination. In the context of strengthening coordination within government institutions in order to improve transparency and produce synergetic, multiplier effects, UNDP is prepared to help put in place the practical modalities for such coordination. The preparatory studies and documents for the country strategy note will no doubt help to pave the way for new and effective working methods and to strengthen the existing partnership;

(g) Information and communication. UNDP will help the Government elaborate a national information and communication policy and strategy, with the ongoing support of FAO. A strategy and actions aimed at creating alliances based on the participatory approach will be elaborated in order to mobilize the resources and means needed to combat poverty.

14. UNDP will concentrate its activities essentially on combating poverty and AIDS and on protecting the environment. Strategic support will also be provided for certain aspects of governance, including the elaboration of the national programme, the introduction of coordination mechanisms, support for consultation and social dialogue, and in the finalization of proposals for the reform and modernization of the public administration and the parliamentary system.

A. Combating poverty

15. A specific anti-poverty programme is justified in Cape Verde by the need to implement appropriate, targeted measures to eliminate the structural constraints which perpetuate poverty.

16. Activities. These will be based on the priorities set by the Government within the framework of the national anti-poverty programme and will focus on issues related to the development of anti-poverty policies and strategies at the national level and to support for practical self-help and capacity-building efforts by the poor themselves. Activities will comprise interventions at two levels: (a) at the central level, UNDP, in association with the World Bank, will provide assistance to the Government in drafting, before the end of 1997, the national anti-poverty programme document, in which the policies and strategic framework for combating poverty will be defined. It will provide substantial methodological support for the formulation of strategies and the conduct of basic studies needed to identify the programme's priorities for action. Training sessions will be held for communications specialists, so as to step up the campaign against poverty with properly targeted messages; (b) at the local level, assistance will be provided for the implementation of high-priority capacity-building activities in the towns hardest hit by poverty.

17. Job creation and vocational training. Within the framework of the national anti-poverty programme, UNDP will assist in the development and implementation of vocational training and job-creation programmes, in cooperation with specialized national agencies. As part of its support for expansion of the private sector, it will focus on micro-enterprises and income-generating activities. These offer high development potential, given the liberalization of the economy, and are guaranteed to create stable jobs and high income levels for the poor.

18. This assistance will take the form of: (a) technical assistance in drawing up the municipal-level regulatory framework for the decentralization of funds to support private-sector expansion and in setting up a credit system for micro-enterprises; (b) support for vocational training centres and for the organization of a vocational training system; (c) technical and financial support for the organization of capacity-building workshops to help promote micro-enterprises and income-generating activities; and (d) building of local capacities (non-governmental and community organizations) to carry out innovative activities that will create jobs and generate small projects for combating poverty at the local level. Assistance will be given to female heads of household, who are among the poorest people in society, young people, families and certain village groups, in the form of training and the purchase of technology and resources using micro-credits, in the areas of agriculture, livestock production, fishing, sewing and other processing activities.

19. Combating AIDS. HIV/AIDS infection rates are still relatively low, but the epidemic nevertheless poses a serious threat. UNDP will therefore help to build national capacity for dealing with the legal, ethical and economic aspects of HIV/AIDS. Training and awareness-raising through seminars and workshops will be provided both locally and centrally and an early warning and monitoring system

for the disease will be set up, particularly among the most vulnerable groups of poor people.

B. Environmental protection

20. In the framework of the national environmental protection programme and the national plan of action to combat desertification, UNDP will provide institutional support for: (a) national and regional redevelopment; (b) management of coastal areas; (c) protection of biodiversity and genetic resources; (d) monitoring of climate change and natural disaster prevention; (e) information and training; and (f) follow-up to the various international conventions and treaties ratified by Cape Verde. These actions will be carried out using resources provided by Capacity 21, GEF and other entities. At the operational level, support for capacity-building in water supply and management in some rural areas and the implementation of the Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa, will be funded by the UNCDF and UNSO. With a view to mobilizing resources, UNDP will pay special attention to the use of wind and solar energy in rural areas, town planning, sanitation in urban and rural centres and public education, information and training in environmental matters.

C. Governance

21. UNDP will assist the Government and civil society in consolidating the democratization process, especially through institutional support for the reform of State institutions, the strengthening of consultation mechanisms that could lead to the institution of a genuine social dialcgue and the development of decentralized management capacities.

22. Activities. Initially, UNDP activities will consist of operations to provide: (a) technical assistance in developing a national programme of governance for the consolidation of democracy; (b) support for and follow-up to the action to reform the central public administration being taken under the Management Development Programme; and (c) support for work on parliamentary reform, in cooperation with the Inter-Parliamentary Union and Portugal. Subsequently, in accordance with the main thrust of the national programme, UNDP will support: (a) democratic institutions and the strengthening of consultative mechanisms for social dialogue, by organizing seminars and national days bringing together representatives of the Government, professional organizations and civil society; and (b) decentralized capacity-building, by assisting towns in the design and management of development programmes; this assistance will be extended to non-governmental organizations, grass-roots communities and local associations, particularly women's associations.

IV. MANAGEMENT ARRANGEMENTS

23. The execution, implementation, monitoring and evaluation of activities under the cooperation programme will take place through a joint Government/UNDP

process for assessing and evaluating the real capacity of national institutions in the public administration, public sector institutions, the private sector, non-governmental organizations and community associations. Responsibility for the implementation and management of specific activities or programme components could be assigned to these institutions or bodies on a case-by-case basis by mutual agreement. The Government, while effectively owning and controlling programme resources, will encourage flexibility and experimentation on a broader basis in the application of programme execution and implementation modalities.

24. National execution. Efforts to implement national execution will be continued and intensified under the next programme, while taking care to correct the weaknesses observed during programme evaluation, as follows: (a) elimination of compartmentalization, definition of the respective roles of the various contributors according to the principle of partnership and the policies and procedures in force, and establishment of joint oversight mechanisms between programme managers and the UNDP office; (b) establishment of a quality control system to evaluate the performance of national consultants; (c) establishment of a training programme in administrative and financial management, and simplification and harmonization of certain UNDP and Government procedures, where possible; (d) review of the role of the United Nations specialized agencies and international experts, need for the transfer of know-how, and an attempt to maximize its contribution; and (e) need to extend the national execution modality beyond government departments and involve non-governmental organizations and other associations of civil society in the implementation of programmes financed by UNDP. This modality will be strengthened by the more widespread application of the programme approach already used.

25. Other special technical cooperation modalities. The Cape Verde programme has, in the past, made use of the United Nations Volunteers, the Transfer of Knowledge Through Expatriate Nationals (TOKTEN) and technical cooperation among developing countries (TCDC). However, such experience has been limited and should be built upon. Efforts will be made in the new programme to allow non-governmental organizations to participate effectively.

26. Programme management and monitoring. Programme evaluation revealed that few in-depth or final project evaluations had been made. This situation calls for a thorough review, so that clear and effective management and monitoring mechanisms can be set up using key ministerial and technical departments. It is essential to strengthen the capacities of the Government and UNDP in this area, especially since the new UNDP resource allocation system attaches great importance to merit. The application of the programme approach will no doubt alter the management and monitoring method, since it provides for programme-specific mechanisms which will help to increase the effectiveness of programme monitoring and coordination among the various partners.

27. Monitoring and evaluation. Monitoring and evaluation of the cooperation programme will be facilitated by the definition of qualitative and quantified targets, parameters and precise monitoring indicators which will be specified in each programme document. Regular analyses and studies will provide specific indicators to measure the impact of the programme, particularly in the areas of job creation and sustainable development, equity, local and regional capacity-

building and the development of basic services to reduce poverty. An annual programme review will be carried out, in the form of annual consultations between government departments and UNDP. The Government's other partners and United Nations bodies will take part in these consultations. The consultations will include programme-specific reviews involving all the partners of the programme in question, including non-governmental organizations. A mid-term review will be carried out in 1999.

28. Resource mobilization. The introduction of more rational working methods such as the programme approach, better coordination between donors and the Government and follow-up of round tables and thematic consultations firmly oriented towards the rapid operationalization of results, the setting up of a system to monitor management and resource mobilization and the application of strict programme quality criteria will be essential elements of the strategy for mobilizing financial resources during the next country programme. That will help to create a more favourable environment for concerted cooperation, thereby considerably strengthening the position of UNDP in its role at round-table conferences.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR CAPE VERDE (1998-2001)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	(328)	
TRAC 1.1.1	1 337	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	Presented for initial planning purposes only. Actual assignment dependent on availability of high-quality programmes. Increase in range of percentages subject to availability of resources.
SPPD/STS	130	
Subtotal	1 139[a]	
NON-CORE FUNDS		
Government cost-sharing		
Sustainable development funds	1 100	Global Environment Facility
Third-party cost-sharing	2 000	
UNDP funds, trust funds and other	4 400 of which:	
UNCDF	2 800	
MDP	600	
UNSO	1 000	
Subtotal	7 500	
GRAND TOTAL	8 639[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: IPF = indicative planning figure; MDP = Management Development Programming; SPPD = support for policy and programme development; STS = support for technical services; TRAC = target for resource assignment from the core; UNCDF = United Nations Capital Development Fund; UNSO = United Nations Sudano-Sahelian Office.